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From: Matson, John
Sent: Mon 5/4/2015 4:03:58 PM
Subject: USG Walworth Facility

Jenny and Dan-

I was looking over my notes from our 113 Conference while preparing our response to USG, and saw two issues we should discuss.

1. In our 2010 113 Conference with the company, USG stated that its production rate at Walworth is not driven or limited by the skip hoist, cupola, or blow chambers, but is limited by the SO² limit that was in its permit of 5.5 lbs./mmbtu (i.e. 182.66 lbs./hr) and its annual SO² emissions limit of 844.4 tons/yr . These limits reflects NR 417.07(2)(b) of the Wisconsin SIP, which also limits SO² emissions to 5.5 lbs./mmbtu at coal-fired units with combined coal-firing capacity of less than 250 mmbtu/hr (which applies to USG's facility).

USG's 2013 permit application reflects:

-An SO² limit for the Cupola of 5.5 lbs./mmbtu (i.e. 182.66 lbs./hr), with an actual SO² annual emissions limit of 844.4 tons/yr.

-Multiplying the 182.66 lbs./hr by 24 hours and 365 days/ 2000 =800 tons of SO²/year.

-This is reflected in the 844.4 tpy annual SO² limit in its permit.

-NR 417.07(2)(b) of the Wisconsin SIP applies to the Walworth facility.

-How does the 5.5 lbs./mmbtu SO² Emissions limit in NR 417.07(2)(b) of the Wisconsin SIP and the facility's permit affect our claim that the company violated PSD at Walworth?

-Is the permit limit federally enforceable?

-Does it then set a ceiling for potential emissions?

2. We calculated a post-project SO² Actual-Potential emissions *increase* of 1,061.2 tpy for the Cupola, based on potential SO² emissions of 1,6778 tpy (baseline was 616.6 tpy). As stated in our referral, this emissions increase includes the sulfur emitted from the slag used by the facility. For purposes of litigation prior to 2015, however, I don't believe we can count the SO² emissions associated with the slag because the permit for the Walworth Facility expressly stated that they are not part of the SO² emissions calculation. Hadn't George said that as well?

So, the gist of all of this is I'm wondering how this impacts your thinking for the Walworth facility?

Thanks.

John